

Evidence of the negative consequences of broadcast consolidation can be seen today in an op-ed piece in the New York Times. Clear Channel Broadcasting (the big winner in the 1996 Act) has used its enormous size to organize political action on national basis with its "Pro War" rallies. It is frightening to think that such media organizations can use their clout, and the "public's" airwaves, to advocate political positions.

See below for the entire NY Time story:

Channels of Influence  
By PAUL KRUGMAN

By and large, recent pro-war rallies haven't drawn nearly as many people as antiwar rallies, but they have certainly been vehement. One of the most striking took place after Natalie Maines, lead singer for the Dixie Chicks, criticized President Bush: a crowd gathered in Louisiana to watch a 33,000-pound tractor smash a collection of Dixie Chicks CD's, tapes and other paraphernalia. To those familiar with 20th-century European history it seemed eerily reminiscent of. . . . But as Sinclair Lewis said, it can't happen here.

Who has been organizing those pro-war rallies? The answer, it turns out, is that they are being promoted by key players in the radio industry — with close links to the Bush administration.

The CD-smashing rally was organized by KRMD, part of Cumulus Media, a radio chain that has banned the Dixie Chicks from its playlists. Most of the pro-war demonstrations around the country have, however, been organized by stations owned by Clear Channel Communications, a behemoth based in San Antonio that controls more than 1,200 stations and increasingly dominates the airwaves.

The company claims that the demonstrations, which go under the name Rally for America, reflect the initiative of individual stations. But this is unlikely: according to Eric Boehlert, who has written revelatory articles about Clear Channel in Salon, the company is notorious — and widely hated — for its iron-fisted centralized control.

Until now, complaints about Clear Channel have focused on its business practices. Critics say it uses its power to squeeze recording companies and artists and contributes to the growing blandness of broadcast music. But now the company appears to be using its clout to help one side in a political dispute that deeply divides the nation.

Why would a media company insert itself into politics this way? It could, of course, simply be a matter of personal conviction on the part of management. But there are also good reasons for Clear Channel — which became a giant only in the last few years, after the Telecommunications Act of 1996 removed many restrictions on media ownership — to curry favor with the ruling party. On one side, Clear Channel is feeling some heat: it is being sued over allegations that it threatens to curtail the airplay of artists

who don't tour with its concert division, and there are even some politicians who want to roll back the deregulation that made the company's growth possible. On the other side, the Federal Communications Commission is considering further deregulation that would allow Clear Channel to expand even further, particularly into television.

Or perhaps the quid pro quo is more narrowly focused. Experienced Bushologists let out a collective "Aha!" when Clear Channel was revealed to be behind the pro-war rallies, because the company's top management has a history with George W. Bush. The vice chairman of Clear Channel is Tom Hicks, whose name may be familiar to readers of this column. When Mr. Bush was governor of Texas, Mr. Hicks was chairman of the University of Texas Investment Management Company, called Utimco, and Clear Channel's chairman, Lowry Mays, was on its board. Under Mr. Hicks, Utimco placed much of the university's endowment under the management of companies with strong Republican Party or Bush family ties. In 1998 Mr. Hicks purchased the Texas Rangers in a deal that made Mr. Bush a multimillionaire.

There's something happening here. What it is ain't exactly clear, but a good guess is that we're now seeing the next stage in the evolution of a new American oligarchy. As Jonathan Chait has written in *The New Republic*, in the Bush administration "government and business have melded into one big 'us.'" On almost every aspect of domestic policy, business interests rule: "Scores of midlevel appointees . . . now oversee industries for which they once worked." We should have realized that this is a two-way street: if politicians are busy doing favors for businesses that support them, why shouldn't we expect businesses to reciprocate by doing favors for those politicians — by, for example, organizing "grass roots" rallies on their behalf?

What makes it all possible, of course, is the absence of effective watchdogs. In the Clinton years the merest hint of impropriety quickly blew up into a huge scandal; these days, the scandalmongers are more likely to go after journalists who raise questions. Anyway, don't you know there's a war on?